

**ASSEMBLY BILL**

**No. 2833**

**Introduced by Assembly Member Sharon Runner**

February 24, 2006

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An act to amend Sections 20111 and 20111.5 of the Public Contract Code, relating to school district contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 2833, as introduced, Sharon Runner. School districts: public project contracts.

(1) Existing law requires the governing board of any school district to let contracts for public projects involving an expenditure of \$15,000 or more to the lowest responsible bidder who shall give security as the board requires, or else reject all bids.

This bill would require a public project contract involving an expenditure of \$50,000 or more to be competitively bid.

(2) Existing law requires that a school district that lets a contract that is subject to specified minimum expenditures to furnish each prospective bidder with a standardized proposal form and to require each prospective bidder to complete and submit a standardized questionnaire and financial statement in a form specified by the school district. Existing law prohibits a proposal from being accepted from any person or other entity who is required to submit a completed questionnaire and financial statement for prequalification, if the submission is not made within 5 days prior to the date fixed for the public opening of the sealed bids.

This bill would require a completed proposal form be submitted at least 15 days prior to the date fixed for the public opening of the sealed bids.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 20111 of the Public Contract Code is  
2 amended to read:  
3 20111. (a) The governing board of any school district, in  
4 accordance with any requirement established by that governing  
5 board pursuant to subdivision (a) of Section 2000, shall let any  
6 contracts involving an expenditure of more than fifty thousand  
7 dollars (\$50,000) for any of the following:  
8 (1) The purchase of equipment, materials, or supplies to be  
9 furnished, sold, or leased to the district.  
10 (2) Services, except construction services.  
11 (3) Repairs, including maintenance as defined in Section  
12 20115, that are not a public project as defined in subdivision (c)  
13 of Section 22002.  
14 The contract shall be let to the lowest responsible bidder who  
15 shall give security as the board requires, or else reject all bids.  
16 (b) The governing board shall let any contract for a public  
17 project, as defined in subdivision (c) of Section 22002, involving  
18 an expenditure of ~~fifteen~~ *fifty* thousand dollars ~~(\$15,000)~~  
19 *(\$50,000)* or more, to the lowest responsible bidder who shall  
20 give security as the board requires, or else reject all bids. All bids  
21 for construction work shall be presented under sealed cover and  
22 shall be accompanied by one of the following forms of bidder's  
23 security:  
24 (1) Cash.  
25 (2) A cashier's check made payable to the school district.  
26 (3) A certified check made payable to the school district.  
27 (4) A bidder's bond executed by an admitted surety insurer,  
28 made payable to the school district.  
29 Upon an award to the lowest bidder, the security of an  
30 unsuccessful bidder shall be returned in a reasonable period of  
31 time, but in no event shall that security be held by the school  
32 district beyond 60 days from the time the award is made.  
33 (c) This section applies to all equipment, materials, or  
34 supplies, whether patented or otherwise, and to contracts  
35 awarded pursuant to subdivision (a) of Section 2000. This section

1 shall not apply to professional services or advice, insurance  
2 services, or any other purchase or service otherwise exempt from  
3 this section, or to any work done by day labor or by force  
4 account pursuant to Section 20114.

5 (d) Commencing January 1, 1997, the Superintendent of  
6 Public Instruction shall annually adjust the dollar amounts  
7 specified in subdivision (a) to reflect the percentage change in  
8 the annual average value of the Implicit Price Deflator for State  
9 and Local Government Purchases of Goods and Services for the  
10 United States, as published by the United States Department of  
11 Commerce for the 12-month period ending in the prior fiscal  
12 year. The annual adjustments shall be rounded to the nearest one  
13 hundred dollars (\$100).

14 SEC. 2. Section 20111.5 of the Public Contract Code is  
15 amended to read:

16 20111.5. (a) The governing board of the district may require  
17 that each prospective bidder for a contract, as described under  
18 Section 20111, complete and submit to the district a standardized  
19 questionnaire and financial statement in a form specified by the  
20 district, including a complete statement of the prospective  
21 bidder's financial ability and experience in performing public  
22 works. The questionnaire and financial statement shall be  
23 verified under oath by the bidder in the manner in which civil  
24 pleadings in civil actions are verified. The questionnaires and  
25 financial statements shall not be public records and shall not be  
26 open to public inspection.

27 (b) Any school district requiring prospective bidders to  
28 complete and submit questionnaires and financial statements, as  
29 described in subdivision (a), shall adopt and apply a uniform  
30 system of rating bidders on the basis of the completed  
31 questionnaires and financial statements, in order to determine the  
32 size of the contracts upon which each bidder shall be deemed  
33 qualified to bid.

34 (c) Each prospective bidder on any contract described under  
35 Section 20111 shall be furnished by the school district letting the  
36 contract with a standardized proposal form that, when completed  
37 and executed, shall be submitted as his or her bid. Bids not  
38 presented on the forms so furnished shall be disregarded.

39 (d) A proposal form required pursuant to subdivision (c) shall  
40 not be accepted from any person or other entity who is required

1 to submit a completed questionnaire and financial statement for  
2 prequalification pursuant to subdivision (a), but has not done so  
3 at least ~~five~~ 15 days prior to the date fixed for the public opening  
4 of sealed bids or has not been prequalified, pursuant to  
5 subdivision (b), for at least one day prior to that date.  
6 (e) Notwithstanding subdivision (d), any school district may  
7 establish a process for prequalifying prospective bidders pursuant  
8 to this section on a quarterly basis and may authorize that  
9 prequalification to be considered valid for up to one calendar  
10 year following the date of initial prequalification.